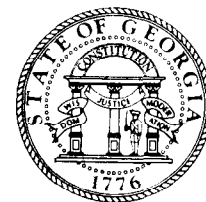


GEORGIA REVENUE QUARTERLY



Roy E. Barnes, Governor

T. Jerry Jackson, Commissioner

GA ELECTRONIC FILING BEGINS

ATLANTA—After finishing among the top five states nationwide in each of its first three years, Electronic Filing in Georgia commenced attempting to emulate that success on January 15, when the Department of Revenue began accepting 1998 Income Tax Returns.

A participant in the Joint Fed/State Electronic Filing Program in conjunction with the Internal Revenue Service, the DOR will accept electronically filed returns through October 15, 1999.

For interested Internet users, an additional feature this year is the introduction of On-Line Filing via the internet. In addition to filing their Federal and State of Georgia returns using an approved tax preparer (also known as an ERO — Electronic Returns Originator), taxpayers can also file their returns from home using a personal computer in either of two ways: First, by purchasing the appropriate tax preparation software and transmitting their returns electronically. And second, by contacting one of the following three software companies that offer On-Line Filing for Georgia and logging on to their Website. The companies and their Website addresses are: Intuit Inc., San Diego, CA (turbotax.com); Secure Tax, Rome, GA (securetax.com), and Taxslayer, Augusta, GA (taxslayer@taxslayer.com).

“Electronic Filing has proven immensely popular in Georgia,” said DOR Commis-

sioner T. Jerry Jackson. “Last year, over 485,000 Georgia returns were filed electronically, and the Department anticipates another successful filing season this year. In addition to the new option of filing returns On-Line, taxpayers should also remember that electronic filing results in both expedited processing of their return and speedier issuance of a Georgia refund.”

Taxpayers who wish to file their 1998 returns electronically under the Joint Fed/State Program must once again be full-year Georgia residents filing either Georgia refund or zero balance due returns. They must file both their Federal and State of Georgia returns at

the same time—in one electronic transmission. Approved ERO's will be required to retain the taxpayer's W-2 forms plus the signature document (GA 8453) for a period of four years. They will not be required to mail in the GA 8453. Finally, taxpayers can choose to have either a paper refund check mailed to them, or have it Direct Deposited into a designated bank account.

Anyone having questions about the Joint Fed/State Electronic Filing Program, or how to file On-Line, is invited to contact Sandy Sharpe, the DOR's Electronic Filing Coordinator, at (404) 656-4340.

WITHHOLDING SYSTEM DEBUTS IN FEB.

ATLANTA—In advance of its new Withholding Tax computer system that debuted on February 15 when January 1999 returns were due, the Department of Revenue mailed its Employer's Tax Guide to over 200,000 registered withholding accounts.

Along with Withholding Coupon Books that were mailed in late December, plus promulgation of two amended sections of Withholding Tax Rules and Regulations last October, the Department has now implemented another key component of its “Blueprint for Modernization.”

“Our new Withholding Tax computer system represents a new level of tax administration that we are confident will benefit employers and tax practitioners alike,” said DOR Commissioner T. Jerry Jackson. “It will also demonstrably improve customer service by allowing our Withholding Tax section to make immediate changes to account infor-

mation, thus reducing subsequent data entry and resulting in speedier processing.”

According to Robert M. Goolsby, Acting Director, Income Tax Division, a third publication, the DOR's Magnetic Media Guide, is also available to selected Withholding Tax accounts. This publication sets forth filing requirements for accounts that file returns using various kinds of electronic (magnetic) media.

Anyone with questions or who would like either the Employer's Tax Guide or Magnetic Media Guide mailed to them, is invited to call either the Withholding Tax section in Atlanta at (404) 656-4181 or 656-5830, or their nearest DOR Regional Office. Additionally, 1999 Withholding Tax and Magnetic Media forms, plus rules setting forth new withholding filing requirements can be accessed from the DOR's site on the Worldwide Web (www2.state.ga.us/departments/dor).

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COMMISSIONER'S LETTER

Now in the midst of another busy income tax filing season, the Department of Revenue will receive in excess of 3.2 million State of Georgia 1998 income tax returns by the April 15 deadline, then issue over 2.1 million refund checks. These demands, in addition to conducting the day-in, day-out business of tax administration, keep over 1,500 employees extremely busy at our Trinity-Washington Headquarters in Atlanta, Tradeport Processing Center in Hapeville, and eleven DOR regional offices.

While the administration of tax laws and processing of returns and associated documents remains our central identifying feature to Georgia taxpayers, we provide another service that touches everyone who operates a motor vehicle: administration of the state's motor vehicle tag and title data base.

Georgia currently ranks No. 9 in the U.S. by number of motor vehicle registrations. It is with the goal of providing Georgia's county tag offices with a state-of-the-art tag and title system, that late this summer the Department will unveil GRATIS: the Georgia Registration and Title Information System.

The GRATIS system, linked directly into the state's central tag and title data base, will provide county tag offices with immediate motor vehicle tag and title information. Titles can be printed the same day that information is entered into the system

for next day mailing and fees due—including ad valorem taxes—can be calculated immediately. To insure that addresses are accurate, the address field in GRATIS is validated by using the U.S. Postal Service's CODE-1 system. Non-matches are returned by CODE-1 for enhancement or override by the operator. Also, printed reports at the end of every business day will simplify record-keeping at the county level.

The Department will not only supply \$5 million worth of computer equipment and training to install GRATIS, we will also establish a fully-staffed Help Desk. Among GRATIS's biggest boosters to date has been Col. Sid Miles of the State Patrol, who has been outspoken in praising its capability to provide instantaneous information to officers who conduct roadside traffic stops and have a critical need to know instantly the legal owner of a particular vehicle.

Once GRATIS is operational, the Department anticipates being able to process 85 percent of all motor vehicle registrations. Not only are we convinced that GRATIS will provide taxpayers at county tag office "walk-up windows" with a quantum leap forward in terms of customer service, we are also certain that it represents "good government," too. Clearly, that is something all of us welcome.

Very truly yours,

T. Jerry Jackson
Commissioner

DOR-IPA CO-HOST SEMINAR

In mid-November, the Georgia Department of Revenue and the Institute for Professionals in Taxation co-hosted a one-day seminar at the Westin Atlanta North.

Covering a broad range of topics and issues, this educational seminar allowed the Department to clarify many of the troublesome issues in both sales and use tax and audits that generate questions during the year while also providing a forum for members of the tax community to interact with many of the Department's "decision makers." Attending were approximately 100 tax practitioners, taxpayers, and Department representatives. Moderated by Edward M. Many, Director of the DOR's Central Audit Division, the seminar featured Commissioner T. Jerry Jackson and Warren R. Calvert, Senior Assistant Attorney General, Georgia Department of Law. Other seminar participants included Phil Embry, Director, Sales and Use Tax Division, his staff, and the Central Audit Division's supervisory staff.

Presentations included Commissioner Jackson's outline of ongoing Department initiatives and Mr. Calvert's litigation and legislation update. The Sales and Use Tax Division discussed sales and use tax "hot topics" including computer software, manufacturing machinery and components, material handling equipment, molds and dies, drop shipments, refund claims, and the deregulation of natural gas. The Central Audit Division covered the audit process, managed audits, use tax reporting agreements, computer-assisted audits, the appeals process, the voluntary disclosure program, and SEATA exchange of information. The seminar concluded with a question-and-answer session.

"The Department found this one-day seminar to be quite productive," Mr. Many said. "Given the excellent feedback we received from the tax practitioner community, we anticipate making this a yearly event."

The following county began levying the Local Option Sales and Use Tax at 1% on January 1, 1999. Their sales and use tax rate has now changed to: Webster - 5%

COUNTY RATE CHANGES

The Sales and Use Tax Division has announced the following sales tax rate changes, listed by local option tax type, for the applicable counties as listed below.

The following counties began levying the Special Purpose Local Option 1% Sales and Use Tax, effective January 1, 1999: Hancock - 6%, Lumpkin - 7%, Marion - 7%, McDuffie - 7%

The following counties began levying the Education Local Option 1% Sales and Use Tax, effective January 1, 1999: Atkinson - 7%, Chattooga - 7%, Cobb - 6%, Colquitt - 7%, Jones - 7%

The following county began levying both the Special Purpose Local Option Sales and Use Tax at 1%, and the Education Local Option Sales and Use Tax at 1%, effective January 1, 1999: Talbot - 7%

The following counties have elected to continue the Special Purpose Local Option Sales and Use Tax at 1%. Their overall rate remains as follows: Macon - 7%, Toombs - 6%

The Special Purpose Local Option Sales and Use Tax ceased in Crawford, Jenkins, and Putnam counties on December 31, 1998. Therefore, on January 1, 1999, their county sales and use tax rate changed to: Crawford - 6%, Jenkins - 5%, Putnam - 5%

1999 SALES AND USE TAX REMITTANCE DATES

MONTHLY, QUARTERLY OR ANNUAL PERIOD	MONTHLY RETURN & REMITTANCE DUE ON OR BEFORE	QUARTERLY OR ANNUAL RETURN & REMITTANCE DUE ON OR BEFORE	EFT REMITTANCE DUE ON OR BEFORE*
February, 1999	March 22		March 19
March, 1999	April 20	April 20 - 1st Qtr.	April 19
April, 1999	May 20		May 19
May, 1999	June 21		June 18
June, 1999	July 20	July 20 - 2nd Qtr.	July 19
July, 1999	August 20		August 19
August, 1999	September 20		September 17
September, 1999	October 20	October 20 - 3rd Qtr.	October 19
October, 1999	November 22		November 19
November, 1999	December 20		December 17
December, 1999	January 20, 2000	January 20, 2000 - 4th Qtr. & CY Annual	January 19, 2000

* *Electronic funds transfers are considered timely only when completed by 3:00 p.m. Eastern Standard Time, on or before the EFT Remittance Due Date. Please Note: Your bank may require an earlier filing in order to meet the Timely Remittance Due Date.*

SALES TAX DIVISION ANNOUNCES SEMINAR SCHEDULE

ATLANTA—Annually conducted throughout Georgia free of charge, the Department of Revenue's Sales and Use Tax Division has released its 1999 Taxpayer Awareness Seminar Schedule.

Over the past decade, these seminars have traditionally proven an effective method of educating the public about the latest changes in sales and use tax law, local taxes, audit preparation, and other areas of interest. Following below is a list of seminar dates and locations, and advance registration is required. Taxpayers desiring further information, or who would like to register to attend a specific seminar, are invited to call the DOR's Sales and Use Tax Division in Atlanta at (404) 656-4060.

March 18: Albany State University, James

Pendergrast Library Lecture Room (JPL114), Albany; 8:30 a.m.-5 p.m.

April 7: Floyd Junior College, Heritage Hall, Rome; 8:30 a.m.-5 p.m.

May 5 & 6: Kennesaw State College, Burruss Building, Room 151, Kennesaw; 8:30 a.m.-5 p.m.

June 16 & 17: DeKalb County - Administrative Building, Maloof Auditorium, Decatur; 8:30 a.m.-5 p.m.

July 14 & 15: Savannah Technical Institute, Whitebluff Auditorium, Savannah; 8:30 a.m.-5 p.m.

August 4 & 5: Gwinnett Justice Administrative Center, Auditorium, Lawrenceville; 8:30 a.m.-5 p.m.

September 16: Macon State College, Lecture Complex, Building C, Room 104, Macon; 8:30 a.m.-5 p.m.

October 7: Columbus State University, Elizabeth Bradley Turner Center for Continuing Education, Auditorium, Columbus; 8:30 a.m.-5 p.m.

October 21: Russell Research Center, Auditorium, 950 College Station Road, Athens; 8:30 a.m.-5 p.m.

November 18: Tentative - West Georgia College, Townsend Center for Performing Arts, Carrollton; 8:30 a.m.-5 p.m.

December 1 & 2: Georgia Power Building, 241 Ralph McGill Boulevard, Atlanta; 8:30 a.m.-5 p.m.